

**MEMORANDUM OF AGREEMENT
BETWEEN THE
NATIONAL ASSOCIATION OF AIR TRAFFIC SPECIALISTS (UNION)
AND THE
FEDERAL AVIATION ADMINISTRATION (AGENCY)¹**

Re: Reduction in Force (RIF) – Flight Service Station Competitive Sourcing Initiative

Section 1. The Employer agrees to implement RIF procedures in accordance with FAA Order 3350.2C, Staffing Adjustments and Reductions in Force, current agency directives, the Collective Bargaining Agreement (CBA), and the provisions of this MOA. For the purposes of this agreement, 'current agency directives' shall be defined as those directives in effect as of February 8, 2004, as well as any directives subsequent to that date handled in accordance with Article 114 of the CBA.

Section 2. Pursuant to EMP-1.22, employees who are likely to face displacement through anticipated FAA RIF or internal reorganization/realignment to a different position shall be considered surplus, and employees who receive a FAA reduction-in-force (RIF) separation notice or who have been separated through RIF procedures in the FAA shall be considered displaced.

Section 3. In conjunction with FAA Order 3350.2c, section 31, entitled "Plan Development," the placement of surplus and displaced employees will be in accordance with Policy Bulletin #29, Air Traffic Preferred Placement Program, Policy Bulletin #32, FAA Preferred Placement Program and Policy #32a, Preferred Placement Program Supplement.

Section 4. A displaced employee shall be entitled to Selection Priority for positions within the FAA in accordance with the provisions of EMP-1.9. However, for Air Traffic controller positions, Selection Priority under this provision will be limited to positions, in level 5, 6, 7, and 8 terminals, for which Human Resource Management Division (HRMD) determines the employee is well qualified. Eligibility for Selection Priority will begin when the RIF notice is issued. It will continue for two years from the date of the separation or until the individual accepts or declines a position at the same pay as that from which he/she was separated or downgraded, with any other Federal or non-Federal employer, whichever occurs first. However, acceptance or declination of the initial job offer from the Service Provider shall not form the basis for such termination from selection priority. Acceptance of a subsequent job offer from the Service Provider shall terminate eligibility of EMP-1.9.

Section 5. Upon issuance of the specific reduction-in-force notices, retention registers shall be made available in each facility for review by those individuals who received said notice. The Parties at the local level shall designate a suitable location for review by employees.

Section 6. Impacted employees will be eligible for the Preferred Placement Programs. Coverage of the surplus/displaced AFSS and FSDPS employees will expire on or about October 1, 2005 (Anticipated RIF separation date) unless eligibility is terminated earlier. Eligibility will be terminated when any one of the following occurs:

- The employee applies for and accepts or declines an offer of employment in the FAA or another Federal agency (regardless of series, grade/pay level, or whether temporary or permanent), regardless of the effective date;
- The employee is separated from employment (e.g. retirement, resignation, etc.);
- The employee applies for retirement of any type (including VERA), regardless of the effective date;
- The employee submits a resignation, irrespective of the effective date.

Section 7. The Agency shall provide career transition assistance to all surplus and displaced bargaining unit employees in accordance with HRPM Career Transition Program EMP-1.22, Article 108 of the CBA and this agreement.

¹ Collectively referred to as "the Parties"

Section 8. Career Assistance Program

Until the individual accepts or declines a position at the same pay with FAA or any other employer, commits to a VERA, or on or about October 1, 2005 (Anticipated RIF separation date), the following hours can be used for career transition activities:

- Displaced employees will be given a minimum of thirty two (32) hours of duty time per pay period to pursue career transition activities.
- Surplus employees may be granted up to 16 hours of duty time per pay period to pursue career transition activities.

Upon advance request, in lieu of the aforementioned duty time, management may approve the earning of credit hours for those hour(s) an employee may use to pursue activities covered in this section.

If necessary, to ensure compliance with this section, either Party at the local level may initiate negotiations for the scheduling of employees requesting time to pursue career assistance activities.

Section 9. Notwithstanding the provisions in Section 8, in order to allow employees to pursue Federal employment, upon acceptance of non-federal employment, upon request, a surplus/displaced employee shall be granted eight (8) hours of duty time per pay period to pursue career transition activities towards federal employment. This will end upon acceptance of Federal employment or on or about October 1, 2005 (Anticipated RIF Separation date), whichever occurs first.

Section 10. The Employer agrees to support displaced Bargaining Unit Employees in his/her application for unemployment benefits or any other benefits for which they would be eligible pursuant to Order 3350.2C, Appendix 3.2 entitled "Unemployment Compensation for Federal Employees."

Section 11. Severance pay for eligible employees shall be made in accordance with FAA Order 3350.2C, Chapter 6, and will include the age allowance.

Section 12. The Union may designate one (1) representative to serve as a RIF/Career Transition liaison, in a full-time status until on or about October 1, 2005 (Anticipated RIF Separation date). The Agency shall pay necessary travel and per diem expenses, for the employee to be domiciled in Washington, in accordance with applicable regulations or the union may choose to perform the functions via electronic means (email, telephone, fax, etc.). The role of the liaison will be to assist in the facilitation of this MOA.

Section 13. The Agency will offer employees in the Alaska Flight Service Area the opportunity to apply for a voluntary separation incentive pay (VSIP) of \$25,000. Approval of a VSIP will be contingent upon selection of an impacted employee. Management will determine the number of VSIP vacancies. Separation dates will be determined by the Agency.

Section 14. The Agency will abide by the Privacy Act as it pertains to employee information released to the vendor.

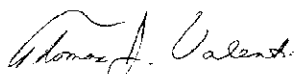
Section 15. The Parties recognize the need to address complaints that arise from the application of this MOU in an expedited manner. Therefore the parties agree to the following:

- a. Grievances filed by employees regarding RIF separation notice will be handled at Step 1 by the Flight Services Area Director or designee and at Step 2 by a Headquarters Human Resources designee. If the Union is not satisfied with the Step 2 decision, and wishes to continue the process, the next step in the appeal process will be arbitration.
- b. The Union shall be afforded the right to expedite the processing of grievances that result from alleged violations of this Agreement in accordance with Article 40; Section 14. Expedited Arbitration (a) of the CBA.

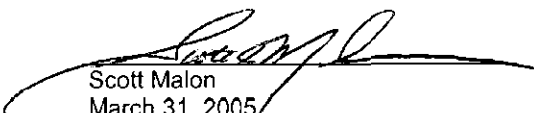
Section 16. In matters relating to the application of RIF procedures, an aggrieved employee shall have the option of using the grievance procedure or any other appellate procedure allowable through law or regulation, but not both.

Section 17. Employees separated from federal service, either voluntarily or involuntarily as a result of the RIF, shall receive a payout of all earned credit hours at his/her regular rate of pay at the time of separation.

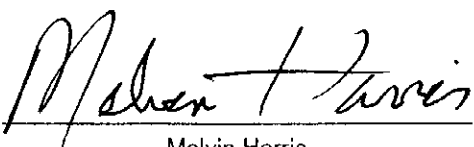
Section 18. This agreement may be re-opened by mutual consent of the parties in accordance with the Parties' CBA and any other applicable laws, statutes, rules, or regulations. It will become effective and be implemented upon completion of the Agency Head Review and will be terminated on or about October 1, 2007 (Anticipated RIF Separation date plus two years). Those provisions with an earlier expiration date will expire as indicated.



Thomas J. Valenti
March 31, 2005



Scott Malon
March 31, 2005

 Apr. 1, 2005

Melvin Harris
Director, Labor and Employee Relations
Agency Head Review
March 31, 2005